

OPEN MEETING AGENDA ITEM



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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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IN THE MATTER OF THE APPLICATION OF
UNS ELECTRIC, INC. FOR APPROVAL OF
ITS 2013 ENERGY EFFICIENCY
IMPLEMENTATION PLAN.

Docket No. E-04204A-12-0219

RUCO'S COMMENTS IN RESPONSE TO STAFF'S MEMORANDUM

The Residential Utility Consumer Office ("RUCO") submits the following comments in response to Staff's December 3, 2013, memorandum regarding UNS Electric's 2013 Energy Efficiency ("EE") Implementation Plan.

RUCO supports approval of the UNS plan, however; RUCO is concerned about the lack of flexibility currently built into the plan's framework. This lack of flexibility could limit savings residential ratepayers will realize from energy efficiency (EE) measures and could restrict the ability of EE programs to respond to the changing needs of residential ratepayers, the market, and geographic areas.

RUCO recommends that the Commission enhance the plan's flexibility. Specifically, RUCO recommends that the Commission:

- 1) **Approve the new measures identified to be cost-effective in the Company's filing.** These new measures were found to be cost-effective under the Commission Staff model, and several were found to have cost-benefit ratios greater than 2. To be

1 clear, RUCO is not advocating for the establishment of new programs. In fact,
2 RUCO stresses that no new funds would need to be approved at all. Instead, the
3 Commission would simply allow UNS Electric the ability to offer ratepayers the new
4 cost effective measures described in its plan. As long as the cost effectiveness of
5 ALL measures is being evaluated on a consistent and frequent basis, RUCO
6 supports their implementation.

7 **2) Preserve the requirement for UNS Electric to file a 2015 EE Implementation**
8 **Plan.** RUCO supports the ability for UNS to adapt its cost-effective EE programs to
9 meet the changing needs of residential ratepayers. The requirement to file a 2015
10 EE plan in June 2014 should not be changed as it aids the ability of the Commission
11 to make necessary modifications in a timely manner as lessons are learned and new
12 ratepayer needs arise.

13 As mentioned above, RUCO supports frequent examination of the costs and benefits of
14 all EE measures. Therefore, RUCO fully supports Commissioner Pierce's amendments. RUCO
15 anticipates that these amendments will bring greater transparency to EE implementation plans.
16 Moreover, there will be greater assurance that ratepayers are receiving the maximum amount
17 of savings per dollar invested.

18 In conclusion, RUCO supports the approval of the UNS EE implementation plan.
19 However, RUCO believes that greater flexibility can yield higher savings for ratepayers.
20 Therefore, RUCO encourages the Commission to approve UNS's new cost effective
21 measures. Additionally, RUCO urges the Commission to maintain the status quo in terms of
22 when UNS files an updated implementation plan.

1 RESPECTFULLY SUBMITTED this 16th day of December, 2013.

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5 Daniel W. Pozefsky
6 Chief Counsel

7 AN ORIGINAL AND THIRTEEN COPIES
8 of the foregoing filed this 16th day
9 of December, 2013 with:

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